

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER


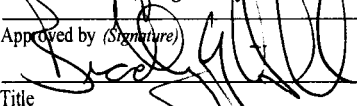
FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		8. Lease Name and Well No. CHAPITA WELLS UNIT 1213-11
2. Name of Operator EOG RESOURCES, INC.		9. API Well No. 4304738540
3a. Address 1060 East Highway 40, Vernal, UT 84078	3b. Phone No. (include area code) 435-781-9111	10. Field and Pool, or Exploratory NATURAL BUTTES
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface NENE 805 FNL 812 FEL 40.05553 LAT 109.400625 LON At proposed prod. zone SAME 636471 X 40.055582 4434943 Y -109.399999		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 11, T9S, R22E S.L.B.&M
14. Distance in miles and direction from nearest town or post office* 47.6 MILES SOUTH OF VERNAL, UTAH		12. County or Parish UINTAH
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 805		13. State UT
16. No. of acres in lease 2558		17. Spacing Unit dedicated to this well
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1790		20. BLM/BIA Bond No. on file NM 2308
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4804' GL		22. Approximate date work will start*
		23. Estimated duration 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No.1, must be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed Typed) Kaylene R. Gardner	Date 08/28/2006
Title Sr. Regulatory Assistant		
Approved by (Signature) 	Name (Printed Typed) BRADLEY G. HILL	Date 08-31-06
Title ENVIRONMENTAL MANAGER		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

Federal Approval of this
Action is Necessary

AUG 30 2006

T9S, R22E, S.L.B.&M.

EOG RESOURCES, INC.

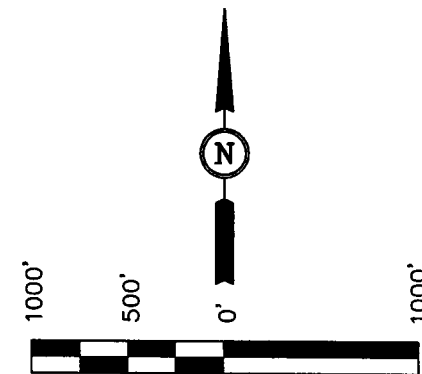
Well location, CWU #1213-11, located as shown in the NE 1/4 NE 1/4 of Section 11, T9S, R22E, S.L.B.&M., Uintah County, Utah.

BASIS OF ELEVATION

BENCH MARK 20EAM LOCATED IN THE SE 1/4 OF SECTION 35, T8S, R21E, S.L.B.&M. TAKEN FROM THE OURAY SE, QUADRANGLE, UTAH, Uintah County, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 4697 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



SCALE

CERTIFIED

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

Section Corner
Re-Established By
Double Proportion
- Method (Not Set)

S 1/4 Sec. 12
1977 Brass Cap 0.5
High, Loose Stones

REGISTERED LAND SURVEYOR

RECEIVED AND FORWARDED
REGISTRATION
UNITED STATES DEPARTMENT OF JUSTICE
JUL 13 1964

UTAH ENGINEERING & LAND SURVEYING
 85 SOUTH 200 EAST - VERNAL, UTAH 84078
 (435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 08-10-06	DATE DRAWN: 08-11-06
PARTY G.S. B.C. S.L.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE EOG RESOURCES, INC.	

LEGEND:

L = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

△ = SECTION CORNERS RE-ESTABLISHED. (Not Set On Ground)

(NAD 83)

LATITUDE = 40°03'19.99" (40.05553)

LONGITUDE = 109°24'02.25" (109.400625)

(NAD 27)

LATITUDE = 40°03'20.12" (40.055589)

LONGITUDE = 109°23'59.79" (109.399942)

N00°28'33"E
2640.76' (Meas.)

E 1/4 Cor.
Sec. 14
Brass Cap

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1213-11 NE/NE, SEC. 11, T9S, R22E, S.L.B.&M.. UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	DEPTH (KB)
Green River FM	1,907'
Wasatch	4,931'
Chapita Wells	5,566'
Buck Canyon	6,257'
North Horn	6,834'
KMV Price River	7,421'
KMV Price River Middle	8,259'
KMV Price River Lower	9,026'
Sego	9,508'

Estimated TD: 9,710' or 200'± below Sego top

Anticipated BHP: 5,300 Psig

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT:

Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

	<u>HOLE SIZE</u>	<u>INTERVAL</u>	<u>SIZE</u>	<u>WEIGHT</u>	<u>GRADE</u>	<u>THREAD</u>	<u>RATING FACTOR</u>		
							<u>COLLAPSE</u>	<u>BURST</u>	<u>TENSILE</u>
Conductor:	17 1/2"	0' – 45'	13 3/8"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12-1/4"	45' – 2,300'KB±	9-5/8"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production:	7-7/8"	2,300'± – TD	4-1/2"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-1/4" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-5/8" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.
All casing will be new or inspected.

5. Float Equipment:

Surface Hole Procedure (0' - 2300'±)

Guide Shoe

Insert Float Collar (PDC drillable)

Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1213-11
NE/NE, SEC. 11, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

Float Equipment: (Cont'd)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1213-11 **NE/NE, SEC. 11, T9S, R22E, S.L.B.&M..** **UINTAH COUNTY, UTAH**

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% CaCl₂, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft³/sk. yield, 23 gps water.

Tail: Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% CaCl₂, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft³/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500' above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: 143 sks: Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt), 0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft³/sk., 24.5 gps water.

Tail: 920 sks: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft³/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):

Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

EIGHT POINT PLAN

CHAPITA WELLS UNIT 1213-11
NE/NE, SEC. 11, T9S, R22E, S.L.B.&M..
UINTAH COUNTY, UTAH

11. STANDARD REQUIRED EQUIPMENT:

- A. Choke Manifold
- B. Upper and Lower Kelly Cock
- C. Stabbing Valve
- D. Visual Mud Monitoring

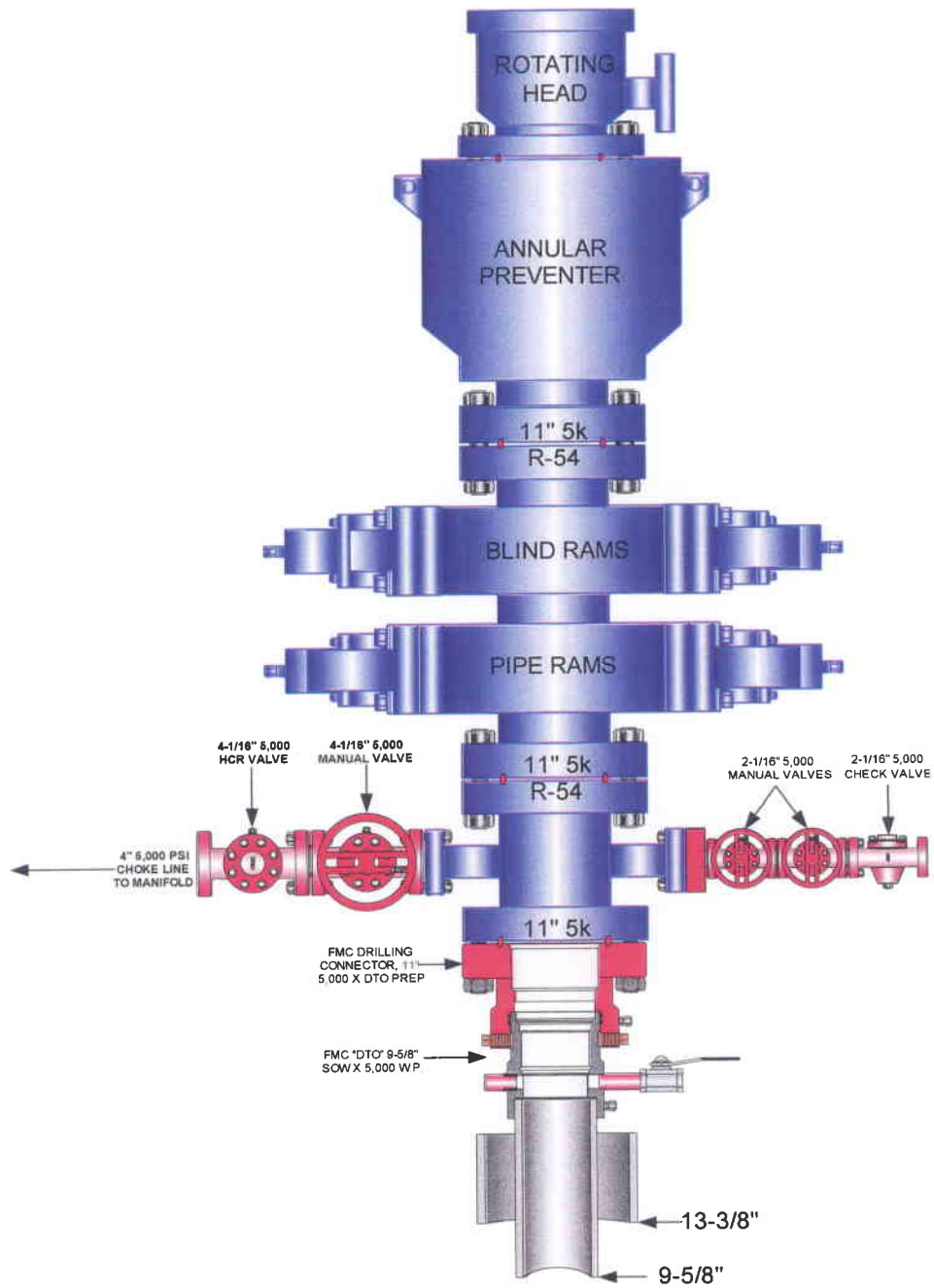
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

(Attachment: BOP Schematic Diagram)

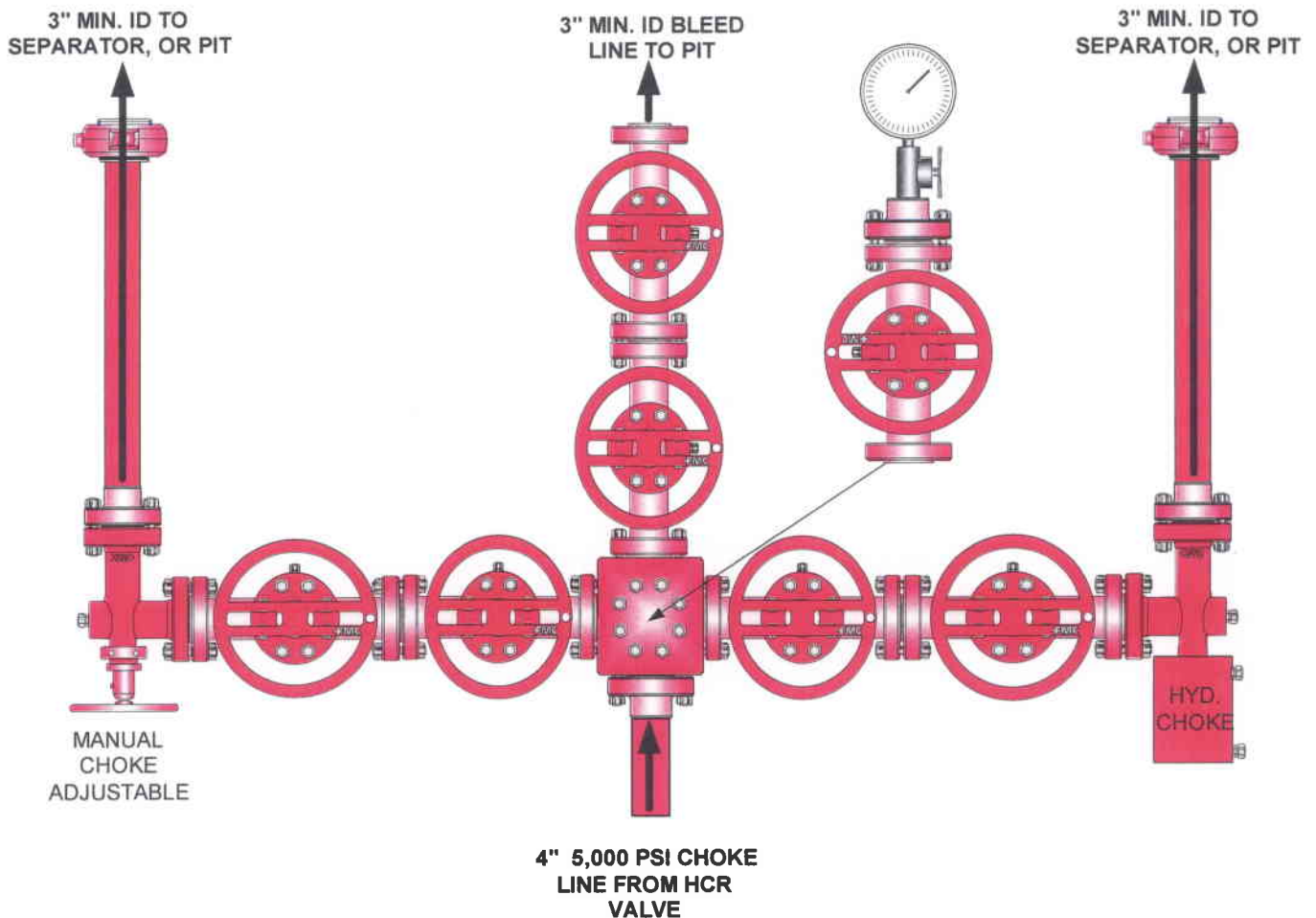
**EOG RESOURCES 11" 5,000 PSI W.P. BOP
CONFIGURATION**

PAGE 1 OF 2



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES

PAGE 2 OF



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, **whichever is greater.**
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.



**CHAPITA WELLS UNIT 1213-11
NENE, Section 11, T9S, R22E
Uintah County, Utah**

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

- | | |
|----------------------------------|--|
| Location Construction: | Forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion: | Prior to moving on the drilling rig. |
| Spud Notice: | At least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing: | Twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and related Equipment Tests: | Twenty-four (24) hours prior to running casing and tests. |
| First Production Notice: | Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days. |

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. New surface disturbance is estimated to be approximately 1.84 acres.

1. EXISTING ROADS:

- A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.
- B. The proposed well site is located approximately 48.6 miles south of Vernal, Utah – See attached TOPO Map "A".
- C. Refer to attached Topographic Map "A" showing labeled access route to location.
- D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

No new access road will be required.

Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

Traveling off the 30 foot right-of-way will not be allowed. The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. LOCATION OF EXISTING WELLS WITHIN A ONE-MILE RADIUS:

See attached TOPO map "C" for the location of wells within a one-mile radius.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.
2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

No off well pad pipeline will be required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

- A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501, and/or Bonanza Power Plant water source in Sec 26, T8S, R23E Uintah County, UT (State Water Right # 49-225(A31368)).
- B. Water will be hauled by a licensed trucking company.
- C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

- A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.
- B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.
2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.
3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.
4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, CWU 550-30SWD, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).
5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge. If the reserve pit requires padding prior to lining (due to rocky conditions) felt padding will be used.

The reserve pit shall be lined with felt and a 12 millimeter plastic liner.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

- A. Refer to attached well site plat for related topography cuts and fills and cross sections.
- B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.
- C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the northeast corner of the location. The flare pit will be located downwind of the prevailing wind direction, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

The stockpiled pit topsoil will be stored separate from the location topsoil southeast of corner #5. The stockpiled location topsoil will be stored between corners #8 and #6. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpillar tractor.

Access to the well pad will be from the west.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

- A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.
- C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.
- D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.
- E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as

necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. Producing Location

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Hi-Crested Wheatgrass	6.0
Needle and Threadgrass	6.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. Dry Hole/Abandoned Location

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Four Wing Saltbush	3.0
Indian Rice Grass	2.0
Needle & Thread Grass	2.0
Crested Wheatgrass	1.0
Globe Mallow	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

- A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:
- Whether the materials appear eligible for the National Register of Historic Places;
 - The mitigation measures the operator will likely have to undertake before the site can be used.
 - A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

- B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.
- C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.
- D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources and paleontology survey was conducted and submitted by Montgomery Archaeological Consultants.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT

Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS

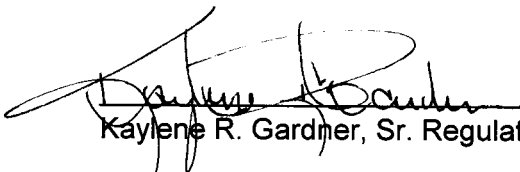
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the Chapita Wells Unit 1213-11 Well, located in the NE/NE, of Section 11, T9S, R22E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

August 28, 2006

Date


Kaylene R. Gardner, Sr. Regulatory Assistant

Request for Exception to Buried Pipeline Requirement
Chapita Wells Unit 1213-11
NE/NE, Sec. 11, T9S, R22E
Lease: U-0281

EOG Resources, Inc. requests a variance to the requirement for a buried gas sales pipeline for the referenced well for the following reasons:

1. In order to bury pipe on the gas sales line route, additional surface disturbance relative to surface pipeline would be approximately 50' X Length acres.
2. Ripping, cutting, or blasting of rock would be required, which in turn would leave long-term spoils on the right-of-way.
3. The disturbed soils on the pipeline corridor would be difficult to rehabilitate and would be susceptible to noxious weed infestation, which in turn would be hazardous to livestock.
4. Supplemental soil to replace removed rock would need to be hauled in from other locations to provide bedding and cover material.
5. The buried pipe would need to be coated and/or wrapped to minimize the potential for corrosion-caused gas leaks and blowouts.
6. Burying of pipe next to access roads increases the potential for damage, explosion, and fire when using graders and/or dozers for snow removal or road rehabilitation.
7. Surface equipment, including risers with blow down valves and pipeline markers will be required, adding to negative visual impact.
8. Disturbance of previously rehabilitated pipeline corridor could be necessary if increasing well density requires crossing of the corridor or location construction on the corridor.
9. Pipeline corridors subject to poor rehabilitation characteristics are susceptible to high rates of soil erosion.
10. Buried shallow pipelines in low areas subject to the occasional presence of standing water are susceptible to movement and surfacing.

EOG RESOURCES, INC.

CWU #1213-11

SECTION 11, T9S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 0.3 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 12.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; PROCEED IN A SOUTHEASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 2.4 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN RIGHT AND PROCEED IN AN EASTERLY, THEN NORTHEASTERLY DIRECTION APPROXIMATELY 0.8 MILES THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY, THEN SOUTHERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN LEFT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 0.1 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHEAST; TURN RIGHT AND PROCEED IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 47.6 MILES.

EOG RESOURCES, INC.

CWU #1213-11

LOCATED IN UINTAH COUNTY, UTAH
SECTION 11, T9S, R22E, S.L.B.&M.

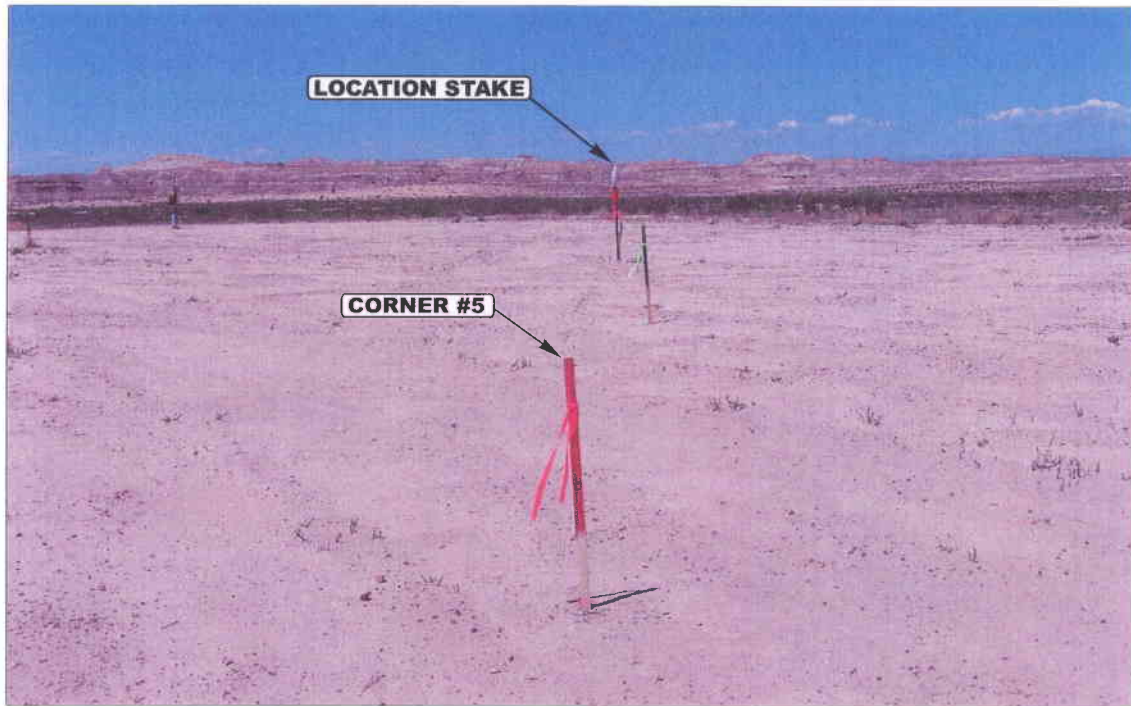


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHWESTERLY



PHOTO: VIEW OF EXISTING ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

U
E
L
S Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

08 **14** **06**
MONTH DAY YEAR

PHOTO

TAKEN BY: G.S.

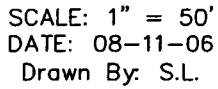
DRAWN BY: L.K.

REVISED: 00-00-00

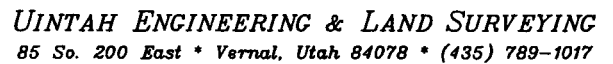
LOCATION LAYOUT FOR
CWU #1213-11
SECTION 11, T9S, R22E, S.L.B.&M.
805' FNL 812' FEL

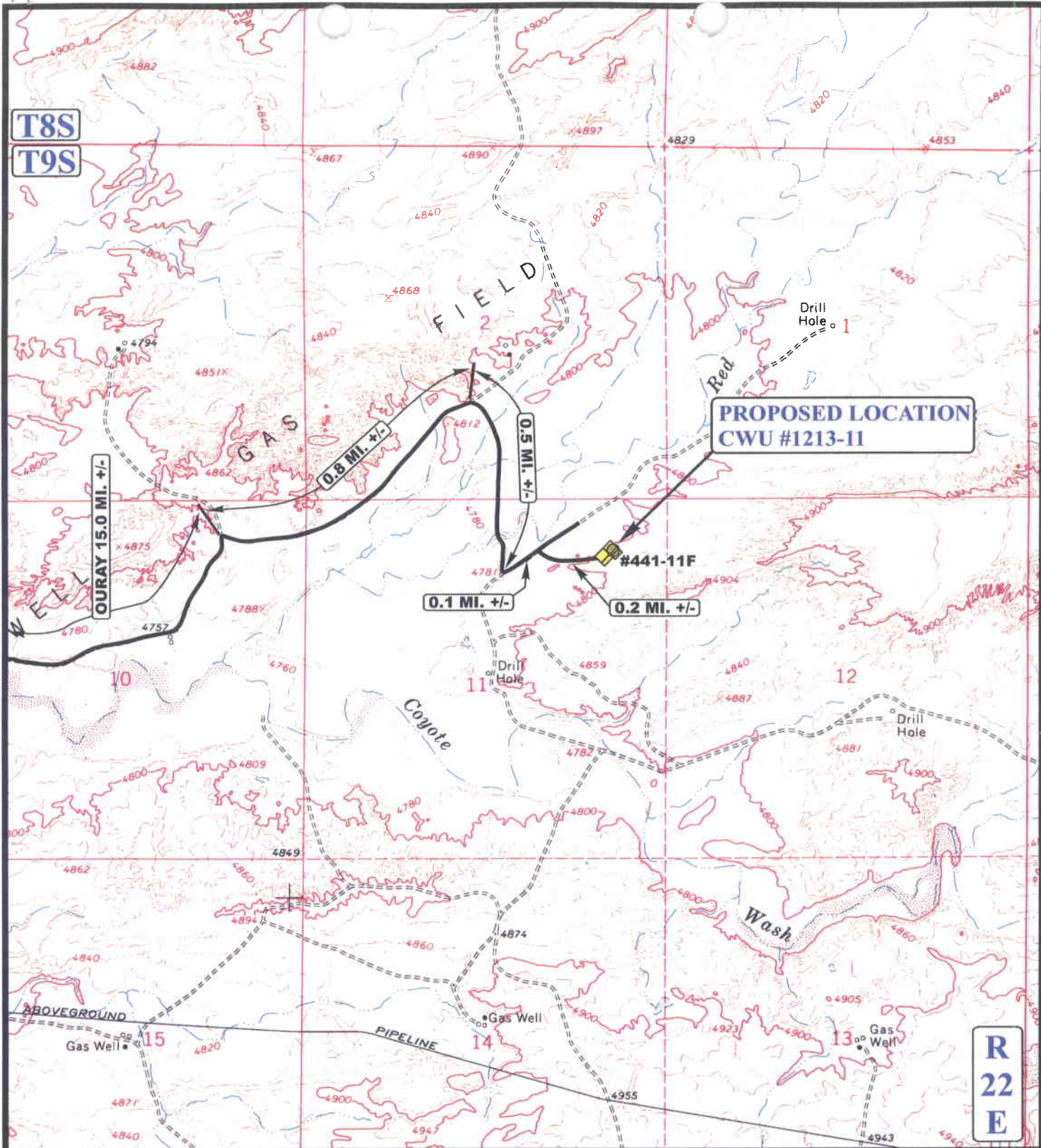
SECTION 11, T9S, R22E, S.L.B.&M.

805' FNL 812' FEL



Flare Pit is to be located
a min. of 100' from the
Well Head.





LEGEND:

----- PROPOSED ACCESS ROAD
 _____ EXISTING ROAD



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



EOG RESOURCES, INC.

CWU #1213-11
SECTION 11, T9S, R22E, S.L.B.&M.
805' FNL 812' FEL

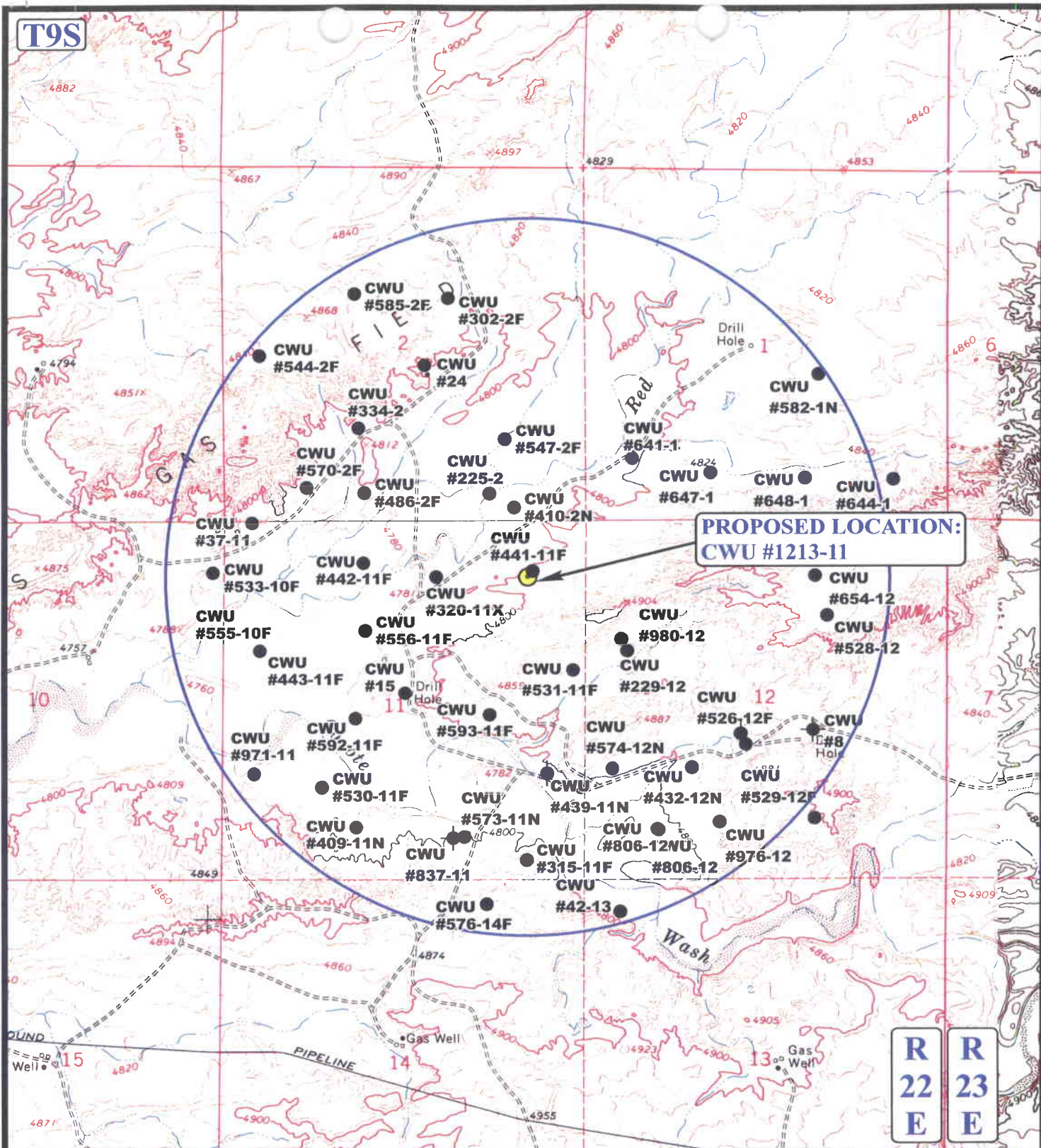
TOPOGRAPHIC
MAP

08 14 06
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



T9S



LEGEND:

- | | |
|-------------------|-------------------------|
| ● DISPOSAL WELLS | ● WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

EOG RESOURCES, INC.

CWU #1213-11
SECTION 11, T9S, R22E, S.L.B.&M.
805' FNL 812' FEL



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

08 14 06
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: L.K. REVISED: 00-00-00



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 08/30/2006

API NO. ASSIGNED: 43-047-38540

WELL NAME: CWU 1213-11

OPERATOR: EOG RESOURCES INC (N9550)

CONTACT: KAYLENE GARDNER

PHONE NUMBER: 435-781-9111

PROPOSED LOCATION:

NENE 11 090S 220E

SURFACE: 0805 FNL 0812 FEL

BOTTOM: 0805 FNL 0812 FEL

COUNTY: UINTAH

LATITUDE: 40.05558 LONGITUDE: -109.4000

UTM SURF EASTINGS: 636471 NORTHINGS: 4434943

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: U-0281

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: PRRV

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. NM 2308)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 49-1501)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

 R649-2-3.
Unit: CHAPITA WELLS
 R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
 R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 174.8
Eff Date: 2-10-1999
Siting: Suspending General Siting
 R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS:

1. Lease Approval
2. Oil Shale

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

August 31, 2006

Memorandum

To: Assistant District Manager Minerals, Vernal District
From: Michael Coulthard, Petroleum Engineer
Subject: 2006 Plan of Development Chapita Wells Unit Uintah
County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2006 within the Chapita Wells Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
-------	-----------	----------

(Proposed PZ Price River)

43-047-38540 CWU 1213-11 Sec 11 T09S R22E 0805 FNL 0812 FEL
43-047-38541 CWU 1211-12 Sec 12 T09S R22E 0726 FNL 0825 FEL
43-047-38542 CWU 668-6 Sec 06 T09S R23E 0461 FNL 2118 FWL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File - Chapita Wells Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron
Fluid Chron

MCoulthard:mc:8-31-06



State of Utah

Department of Natural Resources

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

August 31, 2006

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: Chapita Wells Unit 1213-11 Well, 805' FNL, 812' FEL, NE NE, Sec. 11,
T. 9 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-38540.

Sincerely,

A handwritten signature in black ink, appearing to read "Gil Hunt".

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal District Office

Operator: EOG Resources, Inc.
Well Name & Number Chapita Wells Unit 1213-11
API Number: 43-047-38540
Lease: U-0281

Location: NE NE **Sec.** 11 **T.** 9 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division within 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dan Jarvis at (801) 538-5338

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

RECEIVED

AUG 29 2006

Form 3160-3
(February 2005)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

BLM VERNAL, UTAH

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0137
Expires March 31, 2007

1a. Type of work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. U-0281
1b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input checked="" type="checkbox"/> Single Zone <input type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator EOG RESOURCES, INC.		7. If Unit or CA Agreement, Name and No. CHAPITA WELLS UNIT
3a. Address 1060 East Highway 40, Vernal, UT 84078		8. Lease Name and Well No. CHAPITA WELLS UNIT 1213-11
3b. Phone No. (include area code) 435-781-9111		9. API Well No. 43-047-38540
4. Location of Well (Report location clearly and in accordance with any State requirements.) At surface NENE 805 FNL 812 FEL 40.05553 LAT 109.400625 LON At proposed prod. zone SAME		10. Field and Pool, or Exploratory NATURAL BUTTES
14. Distance in miles and direction from nearest town or post office* 47.6 MILES SOUTH OF VERNAL, UTAH		11. Sec., T. R. M. or Blk. and Survey or Area SEC. 11, T9S, R22E S.L.B.&M
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 805	16. No. of acres in lease 2558	12. County or Parish UINTAH
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. 1790	19. Proposed Depth 9710	13. State UT
20. BLM/BIA Bond No. on file NM 2308	21. Elevations (Show whether DF, KDB, RT, GL, etc.) 4804' GL	17. Spacing Unit dedicated to this well
22. Approximate date work will start*	23. Estimated duration 45 DAYS	

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, must be attached to this form:

- Well plat certified by a registered surveyor.
- A Drilling Plan.
- A Surface Use Plan (if the location is on National Forest System Lands, the SUPO must be filed with the appropriate Forest Service Office).
- Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
- Operator certification
- Such other site specific information and/or plans as may be required by the BLM.

25. Signature 	Name (Printed/Typed) Kaylene R. Gardner	Date 08/28/2006
Title Sr. Regulatory Assistant		
Approved by (Signature) 	Name (Printed/Typed) Terry Kanczla	Date 2-15-2007
Title Assistant Field Manager Lands & Mineral Resources		
Office VERNAL FIELD OFFICE		

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on page 2)

CONDITIONS OF APPROVAL ATTACHED

NOTICE OF APPROVAL

RECEIVED

FEB 21 2007

DIV. OF OIL, GAS & MINING

07BM4969A



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078 (435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: EOG Resources
Well No: CWU 1213-11
API No: 43-047-38540

Location: NENE, Sec 11, T9S, R22E
Lease No: UTU-0281
Agreement: Chapita Wells Unit

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	435-781-4490	435-828-4470
Petroleum Engineer:	Michael Lee	435-781-4432	435-828-7875
Petroleum Engineer:	James Ashley	435-781-4470	435-828-7874
Petroleum Engineer:	Ryan Angus	435-781-4430	
Supervisory Petroleum Technician:	Jamie Sparger	435-781-4502	435-828-3913
NRS/Enviro Scientist:	Paul Buhler	435-781-4475	435-828-4029
NRS/Enviro Scientist:	Karl Wright	435-781-4484	
NRS/Enviro Scientist:	Holly Villa	435-781-4404	
NRS/Enviro Scientist:	Melissa Hawk	435-781-4476	435-828-7381
NRS/Enviro Scientist:	Chuck MacDonald	435-781-4441	
NRS/Enviro Scientist:	Jannice Cutler	435-781-3400	
NRS/Enviro Scientist:	Michael Cutler	435-781-3401	
NRS/Enviro Scientist:	Anna Figueroa	435-781-3407	
NRS/Enviro Scientist:	Verlyn Pindell	435-781-3402	
NRS/Enviro Scientist:	Darren Williams	435-781-4447	
NRS/Enviro Scientist:	Nathan Packer	435-781-3405	
After Hours Contact Number: 435-781-4513		Fax: 435-781-4410	

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a one-year period. An additional year extension may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify NRS/Enviro Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify NRS/Enviro Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings
BOP & Related Equipment Tests (Notify Supervisory Petroleum Technician)	-	Twenty-Four (24) hours prior to initiating pressure tests
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

Conditions for Approval are in the APD

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this would include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt.
- This location is on an existing location so there would be no buried pipeline.

General Surface COA

Operator shall notify any active Gilsonite mining operation within 2 miles of the location 48 hours prior to any blasting during construction for this well.

DOWNHOLE CONDITIONS OF APPROVAL

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

SITE SPECIFIC DOWNHOLE CONDITIONS OF APPROVAL

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored"
 - Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well. Any changes in operation must have prior approval from the BLM, Vernal Field Office Petroleum Engineers.
- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and NOT by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**
- **The lessee/operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled and analyzed (a copy of the analyses to be submitted to the BLM Field Office in Vernal, Utah).**
- **All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.**
- **The lessee/operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, etc.) to Peter Sokolosky or another geologist of the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) shall the BLM need to obtain additional information.**
- **All shows of fresh water and minerals shall be reported and protected. A sample shall be taken of any water flows and a water analysis furnished the BLM, Vernal Field Office. All oil and gas shows shall be adequately tested for commercial possibilities, reported, and protected.**
- **No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM, Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM, Vernal Field Office shall be obtained and notification given before resumption of operations.**
- **Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.**
- **Any change in the program shall be approved by the BLM, Vernal Field Office. "Sundry Notices and Reports on Wells" (Form BLM 3160-5) shall be filed for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.**
- **Emergency approval may be obtained orally, but such approval does not waive the written report requirement. Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan pursuant to Onshore Oil & Gas Order No. 1 of 43 CFR 3164.1 and prior approval by the BLM, Vernal Field Office.**
- **In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.**

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- A cement bond log (CBL) will be run from the production casing shoe to the surface casing shoe and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Wellogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease shall have prior written approval from the BLM, Vernal Field Office.
- All measurement points shall be identified as point of sales or allocation for royalty determination prior to the installation of facilities.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM, Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM, Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- This APD is approved subject to the requirement that, shall the well be successfully completed for production, the BLM, Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (¼¼, Sec., Twn, Rng, and P.M.).

- Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and / or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from Field Office Petroleum Engineers.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.
- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: EOG Resources Inc

Well Name: CWU 1213-11

API No: 43-047-38540 Lease Type: Federal

Section 11 Township 09S Range 22E County Uintah

Drilling Contractor Rocky Mountain Drilling Rig # Bucket

SPUDDED:

Date 5-22-07

Time 11:00 AM

How Dry

Drilling will Commence: _____

Reported by Jerry Barnes

Telephone # 435-828-1720

Date 5-23-07 Signed RM

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES, INC. Operator Account Number: N 9550
Address: 600 17th Street
city Denver
state CO zip 80202 Phone Number: (303) 262-2812

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-36919	CHAPITA WELLS UNIT 1008-22		SENE	22	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>13650</i>	5/22/2007		<i>5/30/07</i>		
Comments: <i>PRRU = MVRD</i>							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38902	OLD SQUAWS CROSSING UNIT II 125-34		NENW	34	10S	19E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>AB</i>	99999	<i>10687</i>	5/18/2007		<i>5/30/07</i>		
Comments: <i>PRRU = MVRD = WSMVD</i>							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
43-047-38540	CHAPITA WELLS UNIT 1213-11		NENE	11	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<i>A</i>	99999	<i>16117</i>	5/22/2007		<i>5/30/07</i>		
Comments: <i>PRRU = MVRD</i>							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Carrie MacDonald

Name (Please Print)

Carrie MacDonald

Signature

Operations Clerk

5/23/2007

Date

RECEIVED

MAY 25 2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**805' FNL & 812' FEL (NENE)
Sec. 11-T9S-R22E 40.05553 LAT 109.400625 LON**

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1213-11

9. API Well No.

43-047-38540

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other Well spud
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

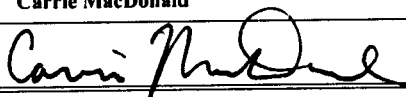
The referenced well spud on 5/22/2007.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

05/23/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

(Instructions on page 2)

MAY 25 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator **EOG Resources, Inc.**

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-262-2812

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
**805' FNL & 812' FEL (NENE)
Sec. 11-T9S-R22E 40.05553 LAT 109.400625 LON**

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1213-11

9. API Well No.

43-047-38540

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input checked="" type="checkbox"/> Water Disposal	

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EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

- 1. Natural Buttes Unit 21-20B SWD**
- 2. Chapita Wells Unit 550-30N SWD**
- 3. Ace Disposal**
- 4. RN Industries**

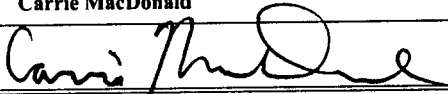
**Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY**

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Carrie MacDonald

Title **Operations Clerk**

Signature



Date

05/23/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

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Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

(Instructions on page 2)

MAY 25 2007

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: March 31, 2007

SUNDRY NOTICES AND REPORTS ON WELLS

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SUBMIT IN TRIPLICATE- Other instructions on reverse side.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator
EOG Resources, Inc.

3a. Address
600 17th Street, Suite 1000N, Denver, CO 80202

3b. Phone No. (include area code)
303-824-5526

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)
805' FNL & 812' FEL (NENE)
Sec. 11-T9S-R22E 40.05553 LAT 109.400625 LON

5. Lease Serial No.

U-0281

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

Chapita Wells Unit

8. Well Name and No.

Chapita Wells Unit 1213-11

9. API Well No.

43-047-38540

10. Field and Pool, or Exploratory Area

Natural Buttes/Mesaverde

11. County or Parish, State

Uintah County, Utah

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TYPE OF SUBMISSION	TYPE OF ACTION			
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<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 7/21/2007. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct
Name (Printed/Typed)

Mary A. Maestas

Title Regulatory Assistant

Signature

Mary A. Maestas

Date

07/26/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Title

Date

Office

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

RECEIVED

JUL 30 2007

DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 07-26-2007

Well Name	CWU 1213-11	Well Type	DEVG	Division	DENVER
Field	CHAPITA DEEP	API #	43-047-38540	Well Class	COMP
County, State	UINTAH, UT	Spud Date	06-10-2007	Class Date	07-21-2007
Tax Credit	N	TVD / MD	9,710/ 9,710	Property #	058669
Water Depth	0	Last CSG	2.375	Shoe TVD / MD	0/ 0
KB / GL Elev	4,820/ 4,804				
Location	Section 11, T9S, R22E, NENE. 805 FNL & 812 FEL				

Event No	1.0	Description	DRILL & COMPLETE		
Operator	EOG RESOURCES, INC	WI %	100.0	NRI %	82.25

AFE No 303973 **AFE Total** 1,943,800 **DHC / CWC** 1,010,500/ 933,300

Rig Contr ENSIGN **Rig Name** ENSIGN #72 **Start Date** 09-12-2006 **Release Date** 06-21-2007

09-12-2006 **Reported By** SHARON WHITLOCK

Daily Costs: Drilling \$0 **Completion** \$0 **Daily Total** \$0

Cum Costs: Drilling \$0 **Completion** \$0 **Well Total** \$0

MD 0 **TVD** 0 **Progress** 0 **Days** 0 **MW** 0.0 **Visc** 0.0

Formation : **PBTD : 0.0** **Perf :** **PKR Depth : 0.0**

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA

805' FNL & 812' FEL (NE/NE)
SECTION 11, T9S, R22E
UINTAH COUNTY, UTAH

LAT 40.055589, LONG 109.399942 (NAD 27)
LAT 40.05553, LONG 109.400625 (NAD 83)

ENSIGN #72
OBJECTIVE: 9710' TD, MESAVERDE
DW/GAS
CHAPITA WELLS DEEP PROSPECT
DD&A: CHAPITA DEEP
NATURAL BUTTES FIELD

LEASE: U-0281
ELEVATION: 4804' NAT GL, 4804' PREP GL (DUE TO ROUNDING 4804' IS THE PREP GL), 4820' KB (16')

EOG BPO WI 100%, NRI 82.25%
EOG APO WI 50%, NRI 43.50%
INCLUDES EOG'S 2.25% ORRI

05-16-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$38,000 Completion \$0 Daily Total \$38,000

Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION STARTED.

05-17-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION IS 5% COMPLETE.

05-18-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION 10% COMPLETE.

05-21-2007 Reported By TERRY CSERE

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LOCATION 80% COMPLETE.

05-22-2007 Reported By BRYON TOLMAN

DailyCosts: Drilling \$0 Completion \$0 Daily Total \$0

Cum Costs: Drilling \$38,000 Completion \$0 Well Total \$38,000

MD 0 TVD 0 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: BUILD LOCATION

Start End Hrs Activity Description

06:00 06:00 24.0 LINING PIT TODAY.

05-23-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$0	Completion	\$0	Daily Total	\$0
Cum Costs: Drilling	\$38,000	Completion	\$0	Well Total	\$38,000

MD	40	TVD	40	Progress	0	Days	0	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	LOCATION COMPLETE. ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 5/22/2007 @ 11:00 AM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 5/22/2007 @ 10:00 AM.
-------	-------	------	---

05-31-2007 Reported By JERRY BARNES

Daily Costs: Drilling	\$207,426	Completion	\$0	Daily Total	\$207,426
Cum Costs: Drilling	\$245,426	Completion	\$0	Well Total	\$245,426

MD	2,563	TVD	2,563	Progress	0	Days	0	MW	0.0	Visc	0.0
----	-------	-----	-------	----------	---	------	---	----	-----	------	-----

Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
-------------	------------	--------	-----------------

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
-------	-----	-----	----------------------

06:00	06:00	24.0	MIRU BILL JR AIR RIG #9 ON 5/23/2007. DRILLED 12-1/4" HOLE TO 2550' GL. ENCOUNTERED WATER @ 1350' & @ 1750'. RAN 59 JTS (2507.95') OF 9-5/8", 36.0#/ FT. J-55, ST&C CASING WITH TOP-CO GUIDE SHOE. NO FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2563' KB. RAN 200' OF 1" PIPE DOWN BACKSIDE. RDMO AIR RIG.
-------	-------	------	--

MIRU BJ CEMENTERS. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1500 PSIG. PUMPED 40 BBLS GELLED WATER, 20 BBLS KCL WATER, 10 BBLS CACL2 WATER, 5 BBLS KCL WATER, 10 BBLS FLOW GUARD, 5 BBLS KCL WATER AHEAD OF CEMENT. MIXED & PUMPED 101 SX (72 BBLS) OF SCAVENGER CEMENT, 65/35 POZ W/3% KCL, 10% GEL 2% SODIUM METASILICATE, 3% CACL2, & 1/4#/SX CELLO FLAKE. MIXED SCAVENGER CEMENT @ 10.5 PPG W/YIELD OF 4.01 CF/SX. FOLLOWED SCAVENGER CEMENT W/245 SX (140 BBLS) PREMIUM LITE LEAD CEMENT W/1/4#/SX CELLO FLAKE, 2% CACL2, 10% GEL & 1% SODIUM METASILICATE. MIXED LEAD CEMENT @ 11.0 PPG W/YIELD OF 3.2 CF/SX.

TAILED IN W/118 SX (31 BBLS) OF PREMIUM TYPE II CEMENT W/2% CACL2 & 1/4 #/SX CELLO FLAKE. MIXED TAIL CEMENT TO 14.2 W/YIELD OF 1.48 CF/SX. DISPLACED CEMENT W/190.5 BBLS FRESH WATER. SHUT IN CASING W/348 # @ 3:16 PM, 5/26/2007. BROKE CIRCULATION 15 BBLS INTO FIRST KCL WATER. HOLE HAD PARTIAL RETURNS DURING DISPLACEMENT. LOST COMPLETE RETURNS 130 BBLS INTO DISPLACEMENT. SLOWED PUMP RATE, REGAINED PARTIAL RETURNS FOR 5 BBLS, THEN LOST COMPLETE RETURNS AGAIN.

TOP JOB # 1: PUMP DOWN 200' OF 1" PIPE. MIXED & PUMPED 170 SX (34.5 BBLS) OF PREMIUM CEMENT W/3% CaCl2. MIXED CEMENT @ 16 PPG W/YIELD OF 1.14 CF/SX. HOLE FILLED & CIRCULATED 2 BBLS CEMENT TO DITCH. CEMENT FELL BACK WHEN PUMPING STOPPED. WOC 2 HRS.

TOP JOB # 2: MIXED & PUMPED 50 SX (10 BBLS) OF PREMIUM CEMENT

W/3% CaCl2. MIXED CEMENT @ 16 PPG W/YIELD OF 1.14 CF/SX. HOLE FILLED & STOOD FULL. RDMO BJ CEMENTERS.

PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY.

NO SURVEY AT THIS TIME.

KYLAN COOK NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 5/24/2007 @ 4:45 PM.

06-09-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling \$21,640 Completion \$765 Daily Total \$22,405

Cum Costs: Drilling \$267,066 Completion \$765 Well Total \$267,831

MD 2,563 TVD 2,563 Progress 0 Days 0 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: RURT

Start	End	Hrs	Activity Description
06:00	20:30	14.5	HELD SAFETY MEETING W/ WEST ROC CREW, MOVE RIG FROM ECW 12-5 TO CWU 1213-11, RIG UP W/TRUCKS & CRANE, RAISED DERRICK @ 20:30 HRS, 6/8/07.
20:30	06:00	9.5	RURT ON CWU 1213-11

SAFETY MEETINGS ON STAYING LEASE ROADS & LOCATION, STAY CLEAR OF TWIN WELL, RAISING DERRICK

FULL CREWS

NO ACCIDENTS

FUEL ON HAND 3334 GAL, USED 149 GAL

CALLED BLM OF UP COMING BOP TEST, GOT JAMIE SPARGER VOICE MAIL

NO MUD LOGGER

06-10-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling \$50,308 Completion \$0 Daily Total \$50,308

Cum Costs: Drilling \$317,374 Completion \$765 Well Total \$318,139

MD 2,650 TVD 2,650 Progress 70 Days 1 MW 0.0 Visc 0.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	11:30	5.5	RURT, START DAY WORK 11:30 HRS, 6/9/07
11:30	15:30	4.0	TEST BOP STACK, PIPE RAMS, BLIND RAMS, CHOKE LINE, INSIDE BOP, CHOKE MANIFOLD, UPPER KELLY COCK, LOWER KELLY COCK, SAFETY VALVE, TO 5,000 PSI FOR 10 MINUTES, TESTED TO 250 PSI FOR 5 MINUTES, TEST ANNULAR TO 2500 PSI FOR 10 MINUTES, TESTED TO 250 PSI FOR 5 MINUTES, TEST CASING TO 1500 PSI FOR 30 MINUTES, NO LEAKS
15:30	21:30	6.0	SAFETY MEETING W/ WEATHERFORD, RIG UP TO PKUP BHA, PKUP BHA TO 2395'
21:30	00:00	2.5	REPAIR WATER BOX & AIR LINES, AIR LINES BROKE
00:00	01:30	1.5	TORQUE KELLY, INSTALL ROTATING HEAD RUBBER, INSTALL DRIVE BUSHING
01:30	02:30	1.0	REPAIR FLOW LINE, RUBBER GASKET]
02:30	04:00	1.5	DRILLING CEMENT, FLOAT COLLAR, FLOAT SHOE, TO 2575'
04:00	04:30	0.5	PUMP SWEEP, RUN FIT TEST, 450 PSI, 11# MUD WT
04:30	06:00	1.5	DRLG 2580' TO 2650'[70'] [46.66'PH] WT 10/12, RPM 47/67, PSI 1100, SPM 112, GPM 413.

FORMATION GREEN RIVER TOP 1908'

SAFETY MEETINGS ON PICKIN UP BHA, PKUP BHA

FULL CREWS

NO ACCIDENTS

FUEL ON HAND 8154 GAL, USED 320 GAL

TRANSFER 3334 GAL FUEL FROM ECW 12-5 TO CWU 1213-11

CHECKED COM

MUD LOGGER PHIL GOTCHER, 1 DAY

06:00 18.0 SPUD 7 7/8" HOLE @ 4:30 HRS, 6/10/07.

06-11-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling \$30,488 Completion \$0 Daily Total \$30,488

Cum Costs: Drilling \$347,862 Completion \$765 Well Total \$348,627

MD 3,750 TVD 3,750 Progress 1,100 Days 2 MW 8.9 Visc 29.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRLG 2650' TO 2718'[68'] [45.33'PH]WT 10/12, RPM 47/67, PSI 1100, SPM 112, GPM 413
07:30	08:00	0.5	WIRELINE SURVEY @ 2616'—4 DEGREES
08:00	09:00	1.0	DRLG 2718' TO 2749'[31'] [31'PH]WT 8/9, RPM 75/67, PSI 1100, SPM 112, GPM 413
09:00	09:30	0.5	RIG SERVICE
09:30	11:30	2.0	DRLG 2749' TO 2811'[62'] [31'PH]WT 8/9, RPM 70/67, PSI 1100, SPM 112, GPM 413
11:30	12:00	0.5	WIRELINE SURVEY @ 2730'—3.5 DEGREES
12:00	14:00	2.0	DRLG 2811' TO 2880' [69'] [34.5'PH]WT 10/12, RPM 55/67, PSI 1100, SPM 112, GPM 413
14:00	14:30	0.5	RIG REPAIR, REMOVE KELLY SPINNERS
14:30	17:30	3.0	DRLG 2880' TO 2934'[54'] [18'PH]WT 10/12, RPM 55/67, PSI 1100, SPM 112, GPM 413
17:30	18:00	0.5	WIRELINE SURVEY @ 2850—3.5 DEGREES
18:00	21:00	3.0	DRLG 2934' TO 3058'[124'] [41.33'PH]WT 10/12, RPM 55/67, PSI 1100, SPM 112, GPM 413
21:00	21:30	0.5	WIRELINE SURVEY @ 2985'—2 DEGREES
21:30	03:30	6.0	DRLG 3058' TO 3615'[557'] [92.83'PH]WT 12/18, RPM 55/67, PSI 1200, SPM 112, GPM 413
03:30	04:00	0.5	WIRELINE SURVEY @ 3541'—2 DEGREES
04:00	06:00	2.0	DRLG 3615' TO 3750'[135'] [67.5'PH]WT 20/22, RPM 53/67, PSI 1225, SPM 112, GPM 413

FORMATION GREEN RIVER TOP 1908', 60% SHALE, 30% LS, 10% SS

BACK GROUND GAS 100U-1200U, CONN GAS 150U-1500U, HIGH GAS 3336U @ 3132'

MUD WT 9.4, VIS 28

FULL CREWS

NO ACCIDENTS

FUEL ON HAND 7385 GAL, USED 769 GAL

FUNCTION COM

MUD LOGGER PHIL GOTCHER, DAY 2

7.6 MILES FROM ECW 12-05 TO CWU 1213-11

SAFETY MEETINGS ON V DOOR SAFETY, SMOKING ON LOCATION

BOP DRILL 1 MINUTE, 28 SECONDS

BOP DRILL 1 MINUTE, 20 SECONDS

06-12-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling \$30,411 Completion \$0 Daily Total \$30,411

Cum Costs: Drilling \$378,382 Completion \$765 Well Total \$379,147

MD 5,175 TVD 5,175 Progress 1,425 Days 3 MW 9.4 Visc 30.0

Formation : PBTB : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRLG 3750' TO 4638'[888][93.47'PH]WT 15/22, RPM 55/67, PSI 1375, SPM 112, GPM 413
15:30	16:00	0.5	WIRELINE SURVEY @ 4540'—1.5 DEGRESS
16:00	17:30	1.5	DRLG 4638' TO 4691'[533][35.33'PH]WT 15/22, RPM 55/67, PSI 1400, SPM 112, GPM 413
17:30	18:00	0.5	RIG SERVICE, FUNCTION CROWN SAVOR
18:00	06:00	12.0	DRLG 4691' TO 5175'[484][40.33'PH]WT 18/22, RPM 45/67, PSI 1475, SPM 112, GPM 413

FORMATION WASATCH TOP 4919', 60% SHALE, 20% LIMESTONE, 20% SANDSTONE
 BACK GROUND GAS 100U-130U, CONN 150U-200U, HIGH GAS 1767U @ 3799'
 SAFETY MEETINGS ON SCRUBBING RIG, CARRYING MUD MATERIAL
 FULL CREWS

NO ACCIDENTS
 FUEL ON HAND 6443 GAL, USED 942 GAL
 MUD WT 9.5#, VIS 32
 FUNCTION COM
 MUD LOGGER PHIL GOTCHER DAY #3

06-13-2007		Reported By		DOUG GRINOLDS	
Daily Costs: Drilling	\$103,920	Completion	\$0	Daily Total	\$103,920
Cum Costs: Drilling	\$482,303	Completion	\$765	Well Total	\$483,068
MD	6.200	TVD	6.200	Progress	1.025
Days	4	MW	0.0	Visc	0.0
Formation :	PBTB : 0.0	Perf :	PKR Depth : 0.0		

Activity at Report Time: DRLG AHEAD

Start	End	Hrs	Activity Description
06:00	15:30	9.5	DRLG 5175' TO 5661'[486][51.15'PH]WT 20/22, RPM 50/67, PSI 1400, SPM 112, GPM 413
15:30	16:00	0.5	RIG SERVICE, FUNCTION TEST CROWN O MATIC
16:00	06:00	14.0	DRLG 5661' TO 6200'[539][38.5'PH]WT 20/22, RPM 55/67, PSI 1400, SPM 112, GPM 413

FORMATION CHAPITA WELLS TOP 5683', 55% SHALE, 45% SANDSTONE
 BACK GROUND GAS 80U-130U, CONN GAS 150U-200U, HIGH GAS 408U @ 5729'
 SAFETY MEETINGS ON CONNECTIONS, BOTH TOURS
 BOP DRILL 3 MINUTES
 BOP DRILL 1 MINUTE, 40 SECOND
 FULL CREWS
 NO ACCIDENTS
 FUEL ON HAND 5178 GAL, USED 1265 GAL
 MUD WT. 9.7#, 32 VIS
 FUNCTION COM
 MUD LOGGER PHIL GOTCHER, DAY 4

06-14-2007		Reported By		DEMPSEY DAY	
Daily Costs: Drilling	\$34,095	Completion	\$0	Daily Total	\$34,095
Cum Costs: Drilling	\$516,398	Completion	\$765	Well Total	\$517,163

MD 6.619 TVD 6.619 Progress 419 Days 5 MW 9.8 Visc 37.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: TRIPING IN WITH BIT # 2 HTC 506Z

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL FROM 6200 TO 6562, 12/18 K, VIS,37, 9.8 WT FULL RETURNS.
16:30	17:00	0.5	LUBRICATE RIG, CHECK CROWN-O-MATIC, FUNCTION TEST B.O.P.
17:00	22:00	5.0	DRILL FROM 6562 TO 6619, 18/22 K, 34 VIS, 10.2 WT, FULL RETURNS.
22:00	23:00	1.0	CIRC BOTTOMS UP AT 6619, FOR TRIPING OUT FOR BIT.
23:00	04:00	5.0	TRIP OUT AT 6619 FOR NEW BIT. LAYED DOWN MUD MOTOR, PLUS-2-4 3 POINTS REAMERS.
04:00	05:00	1.0	PICKUP AND MAKE UP, MUD MOTOR AND NEW BIT, FUNCTION B.O.P., PIPE RAMS.
05:00	06:00	1.0	TRIP IN WITH BIT# 2 HTC, HC 506Z--AT 6619.

TOP OF BUCK CANYON 6236, 40% SH,60% SS, BGG,160/250U, CONNECTION, 250/300U--
HIGH GAS-1133U-6480'.

TWO FULL CREWS, BOTH CRWS HELD SAFETY MEETINGS, PAINTING, AND PICKING UP--
DRILL PIPE.

TOTAL FUEL-4552 GALS.USED-626 GALS.

NO ACCIDENTS.

MUD LOGGER--5 DAYS, PHIL GOTCHER.

06-15-2007 Reported By DEMPSEY DAY

Daily Costs: Drilling	\$43,675	Completion	\$0	Daily Total	\$43,675
Cum Costs: Drilling	\$560,073	Completion	\$765	Well Total	\$560,838

MD 7.275 TVD 7.275 Progress 656 Days 6 MW 9.8 Visc 38.0

Formation : PBTD : 0.0 Perf : PKR Depth : 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	09:00	3.0	FINISH TRIPING IN WITH BIT # 2,WASHED DOWN 30 FT TO BOTTOM, 6619'
09:00	16:00	7.0	DRILL FROM 6619 TO 6830, 12/15 K, 34 VIS, 10.2 WT, FULL RETURNS.
16:00	16:30	0.5	LUBRICATE RIG, CHECK CROWN-O-MATICE, FUNCTION PIPE RAMS.
16:30	06:00	13.5	DRILL FROM 6830 TO 7275, 15/18 K, 33 VIS, 10.3 WT, FULL RETURNS.

TOP OF NORTH HORN--6846, 30% SH,70% SS, BBG,100/250U,CONNECTION,250/370U,-
HIGH GAS-3730U AT 7016 '

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETINGS, PAINTING @ TRIPING D.P.

TOTAL FUEL-8154 GALS, USED-964 GALS.

NO ACCIDENTS.

MUD LOGGER, PHIL GOTCHER

DAY # --6

06-16-2007 Reported By DEMPSEY DAY

Daily Costs: Drilling	\$32,940	Completion	\$4,091	Daily Total	\$37,031
Cum Costs: Drilling	\$593,014	Completion	\$4,856	Well Total	\$597,870
MD	7.950	TVD	7.950	Progress	675
		Days	7	MW	10.5
				Visc	36.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING AHEAD

Start	End	Hrs	Activity Description
06:00	08:30	2.5	DRILL FROM 7275 TO 7385, 15/18 K, 34 VIS, 10.3 WT.
08:30	10:30	2.0	RIG REPAIR, REPACK SWIVEL, KELLY SPINNER LOCKED UP, DISCONNECT KELLY SPINNER. NEW SPINNER ORDERED.
10:30	16:00	5.5	DRILL FROM 7358 TO 7540, 15/18 K, 36 VIS, 10.5 WT FULL RETURNS.
16:00	16:30	0.5	LUBRICATE RIG, CHECK CROWN-O-MATICE, FUNCTION ANNULAR.

TOP OF KMV PRICE RIVER, 7394--30% SH,60% SS, 10% SLTSTN.

BGG-100/250U,CONNECTION GAS-270/600U,HIGH GAS,5181 U,7732 '--- NO FLARE.

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETINGS ON PAINTING RIG.

TOTAL FUEL-7071 GALS, USED-1081-GALS.

NO ACCIDENTS---MUD LOGGER---PHIL GOTCHER, DAY # -7

16:30	20:30	4.0	DRILL FROM 7540 TO 7663 15/18 K, 34 VIS, 10.5 WT.
20:30	21:00	0.5	MAKE TIGHT CONNECTION AT 7663.'
21:00	06:00	9.0	DRILL FROM 7663 TO 7950, 15/18 K, 34 VIS, 10.8 WT, FULL RETURNS.

06-17-2007 Reported By DEMPSEY DAY

Daily Costs: Drilling	\$31,704	Completion	\$0	Daily Total	\$31,704
Cum Costs: Drilling	\$624,719	Completion	\$4,856	Well Total	\$629,575
MD	8.596	TVD	8.596	Progress	746
		Days	8	MW	10.9
				Visc	38.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING AHEAD

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILL FROM 7950 TO 8283, 15/18 K, 34 VIS, 10.8 WT.
16:30	17:00	0.5	LUBRICATE RIG, INSPECT DRLG LINE, AJUST CROWN-O-MATIC,FUNCTION ANNULAR.
17:00	06:00	13.0	DRILL FROM 8283 TO 8596, 15/20 K, 55 RPMS, 34 VIS, 11.1 WT FULL RETURNS.

TOP OF KMV PRICE RIVER MIDDLE-8260, 30% SH,55% SS,15% SLTSTN.

HIGH GAS, 5180 U, 8146 ', BGG-240/450 U, CONNECTION 450/580 U.

TOTAL FUEL-5810, USED-1263 GALS.

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETINGS, WINCH LINES, @ SPEEDING
OFF LOCATION AND LEASE ROADS.

NO ACCIDENTS.

MUD LOGGER, PHIL GOTCHER, DAY # 8.

06-18-2007 Reported By DEMPSEY DAY

Daily Costs: Drilling	\$27,427	Completion	\$0	Daily Total	\$27,427
Cum Costs: Drilling	\$652,147	Completion	\$4,856	Well Total	\$657,003
MD	8.881	TVD	8.881	Progress	285
Days	9	MW	11.2	Visc	35.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: TRIPPING IN WITH BIT # 3

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILL FROM 8596 TO 8810, 18/20 K, 34 VIS, 11.1 WT FULL RETURNS.
16:00	16:30	0.5	LUBRICATE RIG, CHECK CROWN -O-MATIC, FUNCTION PIPE RAMS.
16:30	21:00	4.5	DRILL FROM 8810 TO 8881, 18/22 K, 36 VIS, 11.3 WT, FULL RETURNS.
21:00	01:30	4.5	PUMP DRY JOB, DROP SURVEY, TRIP OUT WITH BIT # 2 AT 8881.
01:30	02:30	1.0	CHANGE OUT MUD MOTORS AND BITS. FUNCTION TEST B.O.P.
02:30	06:00	3.5	TRIP IN WITH BIT# 3 HUGHES HC506Z AT 8881, BRAKE CIRC AT 4,000.

BGG 240/450 U, 45% SH, 45% SS, 10% SLTSTN, HIGH GAS 8069 U, AT 8680.

TOTAL FUEL-4864, USED-946 GALS

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETINGS, SETING SLIPS, SPEEDING
ACROSS LOCATION.

NO ACCIDENTS, MUD LOGGER, PHIL GOTCHTER, DAY # 9

06-19-2007 Reported By DEMPSEY DAY

Daily Costs: Drilling	\$28,415	Completion	\$0	Daily Total	\$28,415
Cum Costs: Drilling	\$680,562	Completion	\$4,856	Well Total	\$685,418
MD	9.375	TVD	9.375	Progress	494
Days	10	MW	11.4	Visc	41.0
Formation :	PBTD : 0.0		Perf :	PKR Depth : 0.0	

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:00	1.0	FINISH TRIPING IN WITH BIT # 3, WASH DOWN 40 FT TO BOTTOM, 8881.
07:00	16:30	9.5	DRILL FROM 8881 TO 9164, 12/15 K, 38 VIS, 11.8 WT.
16:30	17:30	1.0	RIG REPAIR, BOTH PUMPS DOWN, CIRC WITH # 2 REPAIRING # 1.
17:30	03:00	9.5	DRILL FROM 9164 TO 9337, 12/15 K, 34 VIS, 11.5 WT FULL RETURNS.
03:00	03:30	0.5	LUBRICATE RIG, CHECK CROWN -O-MATIC.
03:30	06:00	2.5	DRILL FROM 9337 TO 9375, 12/15 K, 41 VIS, 12.0 WT. 3 TO 4 % LCM.

TOP OF KMV PRICE RIVER LOWER, 9035', BGG 5500/7000 U, CONNECTION 7500/8500 U.

HIGH GAS 8569 U, AT 8925 '

BOTTOMS UP FROM BIT TRIP # 3, 25 TO 30 FLARE, HAD 10/12 FOOT FLARE FROM 8948,
BGG—6500 TO 8000 U, RAISED MUD WT UP FROM 11.5 TO 12.0 .

ONE FULL CREW, SHORT ONE MAN ON NIGHT CREW, BOTH CREWS HELD SAFETY MEETINGS,
TRIPPING DRILL PIPE AND WORKING ON PUMPS.

TOTAL FUEL—3936 GALS, USED—928 GALS.

NO ACCIDENTS, MUD LOGGER, PHIL GOTCHER, DAY # 10.

06-20-2007 **Reported By** DEMPSEY DAY

Daily Costs: Drilling	\$41,812	Completion	\$0	Daily Total	\$41,812
Cum Costs: Drilling	\$722,375	Completion	\$4,856	Well Total	\$727,231
MD	9,710	TVD	9,710	Progress	335
		Days	11	MW	12.0
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	68.0

Activity at Report Time: CIRC & COND.

Start	End	Hrs	Activity Description
06:00	14:30	8.5	DRILL FROM 9375 TO 9584, 18/20 K, 41 VIS, 11.8 WT, FULL RETURNS.
14:30	15:00	0.5	LUBRICATE RIG, CHECK CROWN-O-MATIC, FUNCTION ANNULAR.
15:00	23:30	8.5	DRILL FROM 9584 TO 9710, TD 18/22 K, 41 VIS, 12.2 WT 2% LCM. REACHED TD 6/19/07 # 23:30 HRS.
23:30	01:00	1.5	CIRC COND HOLE AND MUD FOR MAKING SHORT TRIP AT 9710 '
01:00	02:00	1.0	MAKE SHORT TRIP OF 11 STDS. NO TIGHT SPOTS, HOLE IN GOOD SHAPE.
02:00	06:00	4.0	CIRC COND MUD FOR LAYING DRILL PIPE DOWN, RASING MUD WT UP FROM 12.3 TO 12.6 HAD AGOOD 30R FLARE FROM SHORT TRIP OF 11 STDS. GAS TO SURFACE IN 10 MIN,S— 7800 UNITS, BEFOR TRIP 2851 UNITS., NO FLARE.

REACHED T.D. OF 9710 AT 23:45---6/19/2007.

TOP OF SEGO—9536, 45% SH,50% SS,5% SLTSTN., BGG—3200/7000 U, CONN—7000/7500.

HIGH GAS AT 9370, 8540 UNITS.

TOTAL FUEL—2753, USED—1183 GALS.

TWO FULL CREWS, BOTH CREWS HELD SAFETY MEETING, SETTING SLIPS AND STABBING—
PIPE.

NO ACCIDENTS, MUD LOGGER, PHIL GOTCHER,—11 DAYS.

06-21-2007 **Reported By** DOUG GRINOLDS

Daily Costs: Drilling	\$41,050	Completion	\$17,948	Daily Total	\$58,998
Cum Costs: Drilling	\$763,425	Completion	\$22,804	Well Total	\$786,229
MD	9,710	TVD	9,710	Progress	0
		Days	12	MW	12.6
Formation :		PBTD : 0.0		Perf :	
				PKR Depth : 0.0	45.0

Activity at Report Time: CIRC AND COND CSG TO CMT

Start	End	Hrs	Activity Description
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06:00	08:30	2.5	CONDITION MUD & CIRC OUT GAS. PUMP 13.5# PILL, R/U WEATHERFORD L/D MACHINE
08:30	20:00	11.5	SAFETY MEETING. LAY DOWN DP & BHA. BREAK KELLY
20:00	03:30	7.5	RUN 240 JTS 4 1/2" 11.6#. HCP 110. LTC. CASING. LANDED AT 9710'. RUN AS FOLLOWS: FLOAT SHOE, FLOAT COLLAR, 2 MARKER JTS @ 4534' & 7.000', PUP JT., CASING HANGER, & LANDING JT, 15 CENTRALIZERS
03:30	04:30	1.0	RIG DOWN CASING CREW. INSTALL CIRC HEAD
04:30	06:00	1.5	CIRC 4 1/2" CASING FOR CEMENT

FULL CREWS

NO ACCIDENTS

SAFETY MEETINGS ON RUNNING CASING, LAY DOWN DRILL STRING

FUEL ON HAND 4394 GAL, USED 356 GAL

MUD LOGGER PHIL GOTCHER, 12 DAYS

06-22-2007 Reported By DOUG GRINOLDS

Daily Costs: Drilling	\$34,982	Completion	\$161,026	Daily Total	\$196,008
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Cum Costs: Drilling	\$798,407	Completion	\$183,830	Well Total	\$982,237
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MD	9.710	TVD	9.710	Progress	0	Days	13	MW	0.0	Visc	0.0
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Formation :	PBTD : 0.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
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06:00	08:00	2.0	CEMENTING W/SCHLUMBERGER. CEMENTED W/LEAD 35-65 POZ G 470 SKS, TAIL 50/50 POZ G 1565 SKS, BUMPED PLUG W/3700 PSI. FLOATS HELD. PLUG DOWN @ 0800 HRS, 6/21/07.
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08:00	12:00	4.0	NIPPLE DOWN BOP STACK. CLEAN MUD TANKS.
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12:00	06:00	18.0	RDRT. PREPARE TO MOVE TO CHAPITA WELL UNIT 1169-10 / TRUCKS THIS AM.
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SAFETY MEETINGS ON CEMENTING, LOWERING DERRICK

FULL CREWS

NO ACCIDENTS

4394 GAL FUEL TRANSFER TO CWU 1169-10

MUD LOGGER PHIL GOTCHER, 12 DAYS

06:00 18.0 RELEASE RIG @ 12:00 HRS, 6/21/07

CASING POINT COST: \$792,633

06-26-2007 Reported By SEARLE

Daily Costs: Drilling	50	Completion	\$213,834	Daily Total	\$213,834
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Cum Costs: Drilling	\$798,407	Completion	\$397,664	Well Total	\$1,196,071
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MD	9.710	TVD	9.710	Progress	0	Days	14	MW	0.0	Visc	0.0
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Formation :	PBTD : 9667.0	Perf :	PKR Depth : 0.0
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Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 160'. EST CEMENT TOP @ 950'. RD SCHLUMBERGER.
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07-15-2007 Reported By MCCURDY

Daily Costs: Drilling	\$0	Completion	\$2,030	Daily Total	\$2,030
Cum Costs: Drilling	\$798,407	Completion	\$399,694	Well Total	\$1,198,101
MD	9,710	TVD	9,710	Progress	0
				Days	15
				MW	0.0
				Visc	0.0
Formation :		PBTD : 9667.0		Perf :	
				PKR Depth : 0.0	

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
06:00	07:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 8500 PSIG. WO COMPLETION.

07-17-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$7,560	Daily Total	\$7,560
Cum Costs: Drilling	\$798,407	Completion	\$407,254	Well Total	\$1,205,661
MD	9,710	TVD	9,710	Progress	0
				Days	15
				MW	0.0
				Visc	0.0
Formation : MESAVERDE		PBTD : 9667.0		Perf : 8878-9457	
				PKR Depth : 0.0	

Activity at Report Time: FRAC MESAVERDE.

Start	End	Hrs	Activity Description
10:30	18:00	7.5	SICP 0 PSIG. RU CUTTERS WIRELINE. PERFORATED LPR FROM 9456'-57', 9444'-46', 9438'-39', 9394'-95', 9385'-86', 9379'-80', 9369'-70', 9363'-64', 9344'-45', 9313'-14', 9300'-01' AND 9295'-96' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4159 GAL YF116ST+ PAD, 61571 GAL YF116ST+ WITH 162800# 20/40 SAND @ 1-5 PPG. MTP 6560 PSIG. MTR 50.4 BPM. ATP 4788 PSIG. ATR 46.8 BPM. ISIP 2800 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP @ 9265'. PERFORATED LPR FROM 9248'-50', 9234'-36', 9208'-10', 9195'-96', 9188'-89', 9172'-73', 9127'-29' AND 9089'-90' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2909 GAL YF116ST+ PAD, 37243 GAL YF116ST+ WITH 92500# 20/40 SAND @ 1-5 PPG. MTP 7405 PSIG. MTR 51.3 BPM. ATP 5067 PSIG. ATR 45.8 BPM. ISIP 2930 PSIG. RD SCHLUMBERGER.
			RUWL. SET 10K CFP @ 9060'. PERFORATED MPR FROM 9047'-48', 9032'-33', 9015'-16', 9006'-07', 9000'-01', 8978'-79', 8973'-74', 8958'-59', 8951'-52', 8943'-44', 8916'-17' AND 8878'-79' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2074 GAL YF116ST+ PAD, 61346 GAL YF116ST+ WITH 162600# 20/40 SAND @ 1-5 PPG. MTP 8196 PSIG. MTR 51.2 BPM. ATP 6471 PSIG. ATR 46.1 BPM. ISIP 4250 PSIG. RD SCHLUMBERGER. SDFN.

07-18-2007 Reported By HOOLEY

Daily Costs: Drilling	\$0	Completion	\$350,932	Daily Total	\$350,932
Cum Costs: Drilling	\$798,407	Completion	\$758,186	Well Total	\$1,556,593
MD	9,710	TVD	9,710	Progress	0
				Days	16
				MW	0.0
				Visc	0.0
Formation : MESAVERDE		PBTD : 9667.0		Perf : 7458-9457	
				PKR Depth : 0.0	

Activity at Report Time: DRILL OUT PLUGS.

Start	End	Hrs	Activity Description
06:00	18:00	12.0	SICP 2600 PSIG. RUWL. SET 10K CFP @ 8804'. PERFORATED MPR FROM 8789'-92', 8766'-67', 8710'-12', 8704'-05', 8697'-98', 8681'-83', 8677'-78' AND 8671'-72' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2075 GAL YF116ST+ PAD, 37069 GAL YF116ST+ WITH 93300# 20/40 SAND @ 1-5 PPG. MTP 7734 PSIG. MTR 50.4 BPM. ATP 6062 PSIG. ATR 45.0 BPM. ISIP 3440 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8600'. PERFORATED MPR FROM 8574'-75', 8562'-63', 8535'-36', 8526'-27', 8502'-03', 8496'-97', 8479'-80', 8461'-62', 8452'-53', 8439'-40' AND 8400'-02' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2700 GAL YF116ST+ PAD, 44508 GAL YF116ST+ WITH 116600# 20/40 SAND @ 1-5 PPG. MTP 7829 PSIG. MTR 51.4 BPM. ATP 4586 PSIG. ATR 45.0 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8363'. PERFORATED MPR FROM 8356'-57', 8351'-52', 8344'-45', 8329'-30', 8321'-22', 8304'-05', 8296'-97', 8284'-85', 8276'-77', 8271'-72', 8234'-35' AND 8226'-27' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3100 GAL YF116ST+ PAD, 49400 GAL YF116ST+ WITH 131800# 20/40 SAND @ 1-5 PPG. MTP 6608 PSIG. MTR 50.8 BPM. ATP 4640 PSIG. ATR 45.4 BPM. ISIP 3050 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 8160'. PERFORATED UPR FROM 8147'-49', 8141'-42', 8101'-02', 8097'-98', 8085'-86', 8053'-54', 8044'-45', 8037'-38', 8030'-31', 8000'-01' AND 7995'-96' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2474 GAL YF116ST+ PAD, 40198 GAL YF116ST+ WITH 102300# 20/40 SAND @ 1-5 PPG. MTP 6032 PSIG. MTR 50.5 BPM. ATP 4251 PSIG. ATR 45.9 BPM. ISIP 2500 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7900'. PERFORATED UPR FROM 7867'-69', 7854'-56', 7819'-20', 7793'-94', 7786'-87', 7775'-76', 7763'-64', 7721'-22', 7714'-15' AND 7705'-06' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2698 GAL YF116ST+ PAD, 41108 GAL YF116ST+ WITH 105000# 20/40 SAND @ 1-5 PPG. MTP 5530 PSIG. MTR 51.0 BPM. ATP 4019 PSIG. ATR 45.3 BPM. ISIP 2300 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CFP @ 7680'. PERFORATED UPR FROM 7664'-65', 7659'-60', 7645'-46', 7607'-08', 7597'-98', 7570'-71', 7556'-57', 7534'-35', 7480'-81', 7474'-75', 7463'-64' AND 7458'-59' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 2065 GAL YF116ST+ PAD, 35231 GAL YF116ST+ WITH 87100# 20/40 SAND @ 1-5 PPG. MTP 6190 PSIG. MTR 50.4 BPM. ATP 4010 PSIG. ATR 45.6 BPM. ISIP 2400 PSIG. RD SCHLUMBERGER.

RUWL. SET 10K CBP @ 7400'±. BLEED OFF PRESSURE. RDWL. SDFN.

07-20-2007		Reported By		HISLOP							
Daily Costs: Drilling		\$0		Completion		\$25,372		Daily Total		\$25,372	
Cum Costs: Drilling		\$798,407		Completion		\$783,558		Well Total		\$1,581,965	
MD	9,710	TVD	9,710	Progress	0	Days	17	MW	0.0	Visc	0.0
Formation : MESAVERDE			PBTD : 9667.0			Perf : 7458-9457			PKR Depth : 0.0		
Activity at Report Time: CLEAN OUT AFTER FRAC											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	MIRU ROYAL WELL SERVICE RIG #2. SICP 0 PSIG. ND FRAC VALVE. NU BOP. RIH W/3-7/8" MILL TOOTH BIT & PUMP OFF BIT SUB TO CBP @ 7435'. SDFN.								

07-21-2007		Reported By		HISLOP							
Daily Costs: Drilling		\$0		Completion		\$71,636		Daily Total		\$71,636	
Cum Costs: Drilling		\$798,407		Completion		\$855,194		Well Total		\$1,653,601	
MD		9,710		TVD		9,710		Progress		0	
						Days		18		MW	
								0.0		Visc	
										0.0	
Formation : MESAVERDE				PBTD : 9667.0				Perf : 7458-9457			
								PKR Depth : 0.0			
Activity at Report Time: FLOW TESTING											
Start	End	Hrs	Activity Description								
06:00	06:00	24.0	SITP 0 PSIG. SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 7435', 7680', 7900', 8160', 8363', 8600', 8804', 9060' & 9265'. RIH. CLEANED OUT TO 9560'. LANDED TUBING @ 8213' KB. ND BOPE. NU TREE. PUMPED OFF BIT & SUB. RDMOSU.								

FLOWED 15 HRS. 16/64" CHOKE. FTP 1700 PSIG. CP 1700 PSIG. 76 BFPH. RECOVERED 1156 BLW. 8844 BLWTR.

TUBING DETAIL LENGTH

PUMP OFF SUB 0.91'

1 JT 2-3/8" L-80 8RD 4.7# 31.48'

XN NIPPLE 1.30'

260 JTS 2-3/8" L-80 8RD 4.7# 8163.44'

BELOW KB 16.00' KB

LANDED @ 8213.13' KB

07-22-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,900	Daily Total	\$2,900
Cum Costs: Drilling	\$798,407	Completion	\$855,194	Well Total	\$1,653,601
MD	9.710	TVD	9.710	Progress	0
		Days	19	MW	0.0
		Visc			0.0
Formation : MESAVERDE		PBTD : 9667.0		Perf : 7458-9457	
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES-INITIAL PRODUCTION

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 20/64" CHOKE. FTP 1600 PSIG. CP 2100 PSIG. 56 BFPH. RECOVERED 1556 BLW. 7288 BLWTR. 797 MCFD RATE.

INITIAL PRODUCTION. OPENING PRESSURE: TP 1600 & CP 1950 PSI. TURNED WELL TO QUESTAR SALES AT 10:45 AM, 7/21/07. FLOWED 414 MCFD RATE ON 18/64" POS CHOKE. STATIC 321.

07-23-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,900	Daily Total	\$2,900
Cum Costs: Drilling	\$798,407	Completion	\$858,094	Well Total	\$1,656,501
MD	9.710	TVD	9.710	Progress	0
		Days	20	MW	0.0
		Visc			0.0
Formation : MESAVERDE		PBTD : 9667.0		Perf : 7458-9457	
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 20/64" CHOKE. FTP 1800 PSIG. CP 1900 PSIG. 48 BFPH. RECOVERED 1252 BLW. 6036 BLWTR. 950 MCFD RATE.

FLOWED 797 MCF, 44 BC & 1512 BW IN 22 HRS ON 16/64" CK. FTP 1700 & CP 1900 PSIG.

07-24-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,600	Daily Total	\$2,600
Cum Costs: Drilling	\$798,407	Completion	\$860,694	Well Total	\$1,659,101
MD	9.710	TVD	9.710	Progress	0
		Days	21	MW	0.0
		Visc			0.0
Formation : MESAVERDE		PBTD : 9667.0		Perf : 7458-9457	
				PKR Depth : 0.0	

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 20/64" CHOKE. FTP 1700 PSIG. CP 1900 PSIG. 40 BFPH. RECOVERED 1064 BLW. 4972 BLWTR. 1400 MCFD RATE.

FLOWED 828 MCF, 52 BC & 1200 BW IN 24 HRS ON 16/64" CK, FTP 1750 & CP 1750 PSIG.

07-25-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$6,228	Daily Total	\$6,228
Cum Costs: Drilling	\$798,407	Completion	\$866,922	Well Total	\$1,665,329
MD	9,710	TVD	9,710	Progress	0
Days	22	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9667.0	Perf : 7458-9457	PKR Depth : 0.0		

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 22/64" CHOKE. FTP 1500 PSIG. CP 2300 PSIG. 24 BFPH. RECOVERED 1056 BLW. 3916 BLWTR. 1630 MCFD RATE.
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FLOWED 1170 MCF, 71 BC & 1128 BW IN 24 HRS ON 16/64" CK, FTP 1700 & CP 2000 PSIG.

07-26-2007 Reported By HISLOP

Daily Costs: Drilling	\$0	Completion	\$2,975	Daily Total	\$2,975
Cum Costs: Drilling	\$798,407	Completion	\$869,897	Well Total	\$1,668,304
MD	9,710	TVD	9,710	Progress	0
Days	23	MW	0.0	Visc	0.0
Formation : MESAVERDE	PBTD : 9667.0	Perf : 7458-9457	PKR Depth : 0.0		

Activity at Report Time: FLOW TEST TO SALES

Start	End	Hrs	Activity Description
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06:00	06:00	24.0	FLOWED THROUGH TEST UNIT TO SALES 24 HRS. 24/64" CHOKE. FTP 1300 PSIG. CP 2100 PSIG. 32 BFPH. RECOVERED 836 BLW. 3080 BLWTR. 1757 MCFD RATE.
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FLOWED 1395 MCF, 71 BC & 117 BW IN 24 HRS ON 16/64" CHOKE, TP 1400 PSIG & CP 2300 PSIG.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

FORM APPROVED
OMB NO. 1004-0137
Expires: March 31, 2007

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other		5. Lease Serial No. U-0281							
b. Type of Completion: <input checked="" type="checkbox"/> New Well <input type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr., Other _____		6. If Indian, Allottee or Tribe Name							
2. Name of Operator EOG Resources, Inc.		7. Unit or CA Agreement Name and No. Chapita Wells Unit							
3. Address 600 17th Street, Suite 1000N, Denver, CO 80202		8. Lease Name and Well No. Chapita Wells Unit 1213-11							
3a. Phone No. (include area code) 303-824-5526		9. AFI Well No. 43-047-38540							
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface 805' FNL & 812' FEL (NENE) 40.05553 LAT 109.400625 LON At top prod. interval reported below Same At total depth Same		10. Field and Pool, or Exploratory Natural Buttes/Mesaverde							
14. Date Spudded 05/22/2007		15. Date T.D. Reached 06/19/2007							
16. Date Completed 07/21/2007 <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod.		17. Elevations (DF, RKB, RT, GL)* 4804' NAT GL							
18. Total Depth: MD 9710 TVD		19. Plug Back T.D.: MD 9667 TVD							
20. Depth Bridge Plug Set: MD TVD		21. Type Electric & Other Mechanical Logs Run (Submit copy of each) RST/CBL/CCL/VDL/GR							
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit report) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit copy)									
23. Casing and Liner Record (Report all strings set in well)									
Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
12-1/4"	9-5/8"	36.0#	J-55	0-2563		684 sx			
7-7/8"	4-1/2"	11.6#	P-110	0-9710		2035 sx			
24. Tubing Record									
Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	
2-3/8"	8213'								
25. Producing Intervals									
Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status			
A) Mesaverde	7458	9457	9295-9457		3/spf				
B)			9089-9250		3/spf				
C)			8878-9048		3/spf				
D)			8671-8792		3/spf				
26. Perforation Record									
27. Acid, Fracture, Treatment, Cement Squeeze, etc.									
Depth Interval		Amount and Type of Material							
9295-9457		65,895 GALS GELLED WATER & 162,800# 20/40 SAND							
9089-9250		40,317 GALS GELLED WATER & 92,500# 20/40 SAND							
8878-9048		63,585 GALS GELLED WATER & 162,600# 20/40 SAND							
8671-8792		39,309 GALS GELLED WATER & 93,300# 20/40 SAND							
28. Production - Interval A									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
07/21/2007	08/03/2007	24	→	80	845	80			FLOWS FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. 2500	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	PRODUCING GAS WELL
12/64"	1675		→	80	845	80			
28a. Production - Interval B									
Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

*(See instructions and spaces for additional data on page 2)

RECEIVED

AUG 10 2007

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
Mesaverde	7458	9457		Wasatch Chapita Wells Buck Canyon Price River Middle Price River Lower Price River Sego	4935 5537 6204 7425 8242 9020 9503

32. Additional remarks (include plugging procedure):

SEE ATTACHED SHEET.

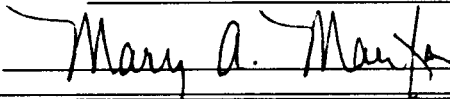
33. Indicate which itmes have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) **Mary A. Maestas**Title **Regulatory Assistant**

Signature

Date **08/07/2007**

Title 18 U.S.C Section 1001 and Title 43 U.S.C Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Chapita Wells Unit 1213-11 - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

8400-8575	3/spf
8226-8357	3/spf
7995-8149	3/spf
7705-7869	3/spf
7458-7665	3/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

8400-8575	47,373 GALS GELLED WATER & 116,600# 20/40 SAND
8226-8357	52,665 GALS GELLED WATER & 131,800# 20/40 SAND
7995-8149	42,837 GALS GELLED WATER & 102,300# 20/40 SAND
7705-7869	43,971 GALS GELLED WATER & 105,000# 20/40 SAND
7458-7665	37,461 GALS GELLED WATER & 87,100# 20/40 SAND

Perforated the Lower Price River from 9295-9296', 9300-9301', 9313-9314', 9344-9345', 9363-9364', 9369-9370', 9379-9380', 9385-9386', 9394-9395', 9438-9439', 9444-9446' & 9456-9457' w/ 3 spf.

Perforated the Lower Price River from 9089-9090', 9127-9129', 9172-9173', 9188-9189', 9195-9196', 9208-9210', 9234-9236' & 9248-9250' w/ 3 spf.

Perforated the Middle Price River from 8878-8879', 8916-8917', 8943-8944', 8951-8952', 8958-8959', 8973-8974', 8978-8979', 9000-9001', 9006-9007', 9015-9016', 9032-9033' & 9047-9048' w/ 3 spf.

Perforated the Middle Price River from 8671-8672', 8677-8678', 8681-8683', 8697-8698', 8704-8705', 8710-8712', 8766-8767' & 8789-8792' w/ 3 spf.

Perforated the Middle Price River from 8400-8402', 8439-8440', 8452-8453', 8461-8462', 8479-8480', 8496-8497', 8502-8503', 8526-8527', 8535-8536', 8562-8563' & 8574-8575' w/ 3 spf.

Perforated the Middle Price River from 8226-8227', 8234-8235', 8271-8272', 8276-8277', 8284-8285', 8296-8297', 8304-8305', 8321-8322', 8329-8330', 8344-8345', 8351-8352' & 8356-8357' w/ 3 spf.

Perforated the Upper Price River from 7995-7996', 8000-8001', 8030-8031', 8037-8038', 8044-8045', 8053-8054', 8085-8086', 8097-8098', 8101-8102', 8141-8142' & 8147-8149' w/ 3 spf.

Perforated the Upper Price River from 7705-7706', 7714-7715', 7721-7722', 7763-7764', 7775-7776', 7786-7787', 7793-7794', 7819-7820', 7854-7856' & 7867-7869' w/ 3 spf.

Perforated the Upper Price River from 7458-7459', 7463-7464', 7474-7475', 7480-7481', 7534-7535', 7556-7557', 7570-7571', 7597-7598', 7607-7608', 7645-7646', 7659-7660' & 7664-7665' w/ 3 spf.

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: CWU 1213-11

API number: _____

Well Location: QQ NENE Section 11 Township 9S Range 22E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078

Phone: (435) 781-9111

Drilling contractor: BILL JR RATHOLE DRLLING

Address: 384 E 2500 S

city VERNAL state UT zip 84078

Phone: (435) 789-4729

Water encountered (attach additional pages as needed):

DEPTH		VOLUME (FLOW RATE OR HEAD)	QUALITY (FRESH OR SALTY)
FROM	TO		
1,350	1,360	NO FLOW	NOT KNOWN
1,750	1,770	NO FLOW	NOT KNOWN

Formation tops: 1 _____ 2 _____ 3 _____
(Top to Bottom) 4 _____ 5 _____ 6 _____
 7 _____ 8 _____ 9 _____
 10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas

TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas

DATE 8/7/2007

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

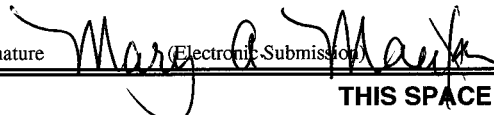
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU0281
2. Name of Operator EOG RESOURCES INC		6. If Indian, Allottee or Tribe Name
3a. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202		7. If Unit or CA/Agreement, Name and/or No. CHAPITA WELLS UNI
3b. Phone No. (include area code) Ph: 303-824-5526		8. Well Name and No. CHAPITA WELLS UNIT 1213-11
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 11 T9S R22E NENE 805FNL 812FEL 40.05553 N Lat, 109.40063 W Lon		9. API Well No. 43-047-38540
		10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE
		11. County or Parish, and State UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input checked="" type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleate horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleation in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

All material, debris, trash, and junk was removed from the location. The reserve pit was reclaimed. Stockpiled topsoil was spread over the pit area and broadcast seeded with the prescribed seed mixture. The seeded area was then walked down with a cat.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #58433 verified by the BLM Well Information System For EOG RESOURCES INC, sent to the Vernal	
Name (Printed/Typed) MARY A. MAESTAS	Title REGULATORY ASSISTANT
Signature  (Electronic Submission)	Date 02/04/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED

FEB 05 2008

DIV. OF OIL, GAS & MINING



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155



IN REPLY REFER TO
3180
UT-922

EOG Resources, Inc.
Attn: Debbie Spears
600 Seventeenth Street
Suite 1000N
Denver, Colorado 80202

July 23, 2008

Re: Consolidated Mesaverde Formation PA
"A-X,Z-AA-BB" Chapita Wells Unit
Uintah County, Utah

Dear Ms. Spears:

The Consolidated Mesaverde Formation PA "A-X,Z-AA-BB", Chapita Wells Unit, CRS No. UTU63013BE, AFS No. 892000905BE, is hereby approved effective as of July 1, 2007, pursuant to Section 11 of the Chapita Wells Unit Agreement, Uintah County, Utah.

The Consolidated Mesaverde Formation PA "A-X,Z-AA-BB" results in an initial consolidated participating area of 15,812.03 acres and is based upon the completion the following wells as capable of producing unitized substances in paying quantities.

To 13650

WELL NO.	API NO.	LOCATION	LEASE NO.
CWU-1218-2	43-047-38320	NW¼NE¼, 2-9S-22E	STATE
CWU-1217-02	43-047-38345	NW¼NW¼, 2-9S-22E	STATE
CWU-1219-02	43-047-38344	NW¼SW¼, 2-9S-22E	STATE
CWU-833-3	43-047-37606	SW¼SE¼, 3-9S-22E	UTU0281
CWU-1176-10	43-047-37698	NE¼NE¼, 10-9S-22E	UTU0281
CWU-1213-11	43-047-38540	NE¼NE¼, 11-9S-22E	UTU0281
CWU-1094-27	43-047-37046	SE¼SE¼, 27-9S-23E	UTU0344A

from
16/17

Copies of the approved request are being distributed to the appropriate federal agencies and one copy is returned herewith. Please advise all interested parties of the approval of the Consolidated Mesaverde Formation PA "A-X,Z-AA-BB", Chapita Wells Unit, and the effective date.

Sincerely,

/s/ Becky J. Hammond

Becky J. Hammond
Chief, Branch of Fluid Minerals

RECEIVED

JUL 28 2008

DIV. OF OIL, GAS & MINING

also
4304736973 CWU 1024-10
from 15645
Sec 10 9S 22E
Enclosure

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: EOG RESOURCES Operator Account Number: N 9550
Address: 1060 East Highway 40
city VERNAL
state UT zip 84078 Phone Number: (435) 781-9145

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37698	CHAPITA WELLS UNIT 1176-10	NENE	10	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16114	13650	5/15/2007	7/1/2007		
Comments: <u>MURD</u> — <u>8/26/08</u>						

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-38540	CHAPITA WELLS UNIT 1213-11	NENE	11	9S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16117	13650	5/22/2007	7/1/2007		
Comments: <u>MURD</u> — <u>8/26/08</u>						

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
43-047-37046	CHAPITA WELLS UNIT 1094-07	SESE	27	9S	23E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date		
C	16194	13650	6/7/2007	7/1/2007		
Comments: <u>MURD</u> — <u>8/26/08</u>						

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

Mickenzie Thacker

Name (Please Print)

Mickenzie Thacker

Signature

Operations Clerk

Title

8/21/2008

Date

RECEIVED

AUG 21 2008

(5/2000)

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